***Statement***

*Production Consumption and Stock of Sugar*

The production during the last 2004-05 season has been of the order of 130.00 lakh tones as against 139.58 lakh tones during the 2003-04 season.

However, during 2005-06 sugar season, the production of sugar is estimated to be around 180.00 lakh tones. The increase in sugar production during the current sugar season is due to good monsoon and increase in sugarcane area under cultivation.

Sugar Budget showing carry over stocks, production, total availability, internal consumption, exports and season ending stocks for the sugar seasons 2002-03 to 2005-06 are as under:-

(Quantity in lakh tones)

| SI. No | Particulars | 2002-2003 | 2003-2004 (Sugar Year) | 2004-2005 (Sugar Year) | 2005-2006 (Sugar Year) (E) |
|---|---|---|---|---|---|
| 1. | Carry over stocks from Previous season | 113.19 | 116.16 | 85.00 | 62.00** |
| 2. | Production of Sugar | 201.32 | 139.58 | 130.00 | 180.00 |
| 3. | Import of Sugar | 0.41 | 5.53 | 20.74 | N.A. |
| 4. | Total availability | 314.92 | 261.27 | 235.74 | 240.00 |
| 5. | Internal consumption | 183.76 | 175.00 | 169.88 | 180.00 |
| 6. | Exports | 15.00 | 2.94 | 0.98 | 5.00-10.00 (E) |
| 7. | Closing stocks at the end of season | 116.16 | 83.33 | 64.88(P) | 50.00-55.00 |

"Adjustments made as per the Central Excise verified reports. (P) Provisional (E) Estimated

**Promotion of Bilateral Trade by Pakistan**

749. SHRIMATI SUKHBUNS KAUR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state.

(a) whether Pakistan has promised measures to step up bilateral trade with India, including an open sky policy and easing Visa restrictions;

(b) if so, the details thereof;

(c) Government's response thereto and reciprocal measures taken by Government; and

(d) how far trade between the two countries is likely to increase compared to the preceding three years?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (c) India and Pakistan have set up a Joint Study Group (JSG) at the level of Commerce Secretaries as strategy for boosting trade between the two countries. The first meeting of the JSG was held in New Delhi on February 22-23, 2005 and it had detailed discussions on promotion of trade and economic cooperation for the mutual benefit of both countries. The JSG constituted two Working/ Sub Groups, on customs Cooperation and Trade Facilitation Measures and Non-Tariff Barriers (NTBs). The Terms of Reference (TOR) for the Sub-Groups were mutually agreed upon.

Last round of bilateral talks oh expansion of bilateral air services arrangements was held in Islamabad (Pakistan) in September, 2005. The said talks ended inconclusively and both sides agreed to continue discussions. There was no discussion on "Open sky" policy in the above talks.

A draft agreement suggesting changes in the present visa protocol with the objective of facilitating travel of bonafide visitors has been submitted to the Government of Pakistan

(d) A table indicating trade figures is given below which shows steady growth in bilateral trade during the last three years.

(Value: In US$ Million)

| Year | Exports to Pakistan | Imports from Pakistan | Total Trade | % age Growth in Bilateral Trade |
|---|---|---|---|---|
| 2002-03 | 206.16 | 44.85 | 251.01 | |
| 2003-04 | 286.94 | 57.65 | 344.59 | 37.28 |
| 2004-05 | 505.44 | 95.33 | 600.77 | 74.34 |
| 2004-05 (Apr—Aug) | 210.17 | 29.95 | 240.12 | |
| 2005-06 (Apr—Aug) | 240.55 | 58.05 | 298.6 | 24.35 |

Source: DGCi&S, Kolkata

Apart from the JSG talks, South Asian Free Trade Area Agreement (SAFTA) of which India and Pakistan are signatories is scheduled to come into force from 1 January, 2006. The Agreement provides for a phased

tariff liberalization programme. The volume of trade, between the two countries is, therefore, expected to grow further, but cannot be quantified at this stage.

**Modern Tobacco Barns**

750. SHRI V. HANUMANTHA RAO: Will the Minister of COMMERCE
AND INDUSTRY be pleased to state:

(a) whether Government has any plans to help tobacco farmers build tobacco barns to reduce fuel consumption;

(b) if so, whether it is a fact that very little financial help is being given to farmers presently for this matter;

(c) what steps will be taken by Government to divert some of the huge revenues collected on Virginia tobacco products to help the Virginia tobacco farmers; and

(d) the steps proposed by Government to encourage farmers develop and build modern facilities?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (d) As a part of fuel conservation measures, the Tobacco Board is implementing the following schemes for modernization of barns:

i. Subsidizing barn installation; and

ii. Subsidizing replacing the traditional furnaces with venture furnaces.

Under the schemes the Tobacco Board provides, a subsidy of Rs 2000/- for fixing venture furnaces and Rs.1000/- for insulation of barns. A subsidy of Rs.1800/- for barn insulation and Rs 1000/- for fixing barn is also extended by M/s ITC Ltd.

**Role of Tobacco Board**

751. SHRI V. HANUMANTHA RAO: Will the Minister of COMMERCE
AND INDUSTRY be pleased to state:

(a) whether it is a fact that the Tobacco Board is restricting the quantity of tobacco grown in various States;

(b) if so, what are the reasons for the Tobacco Board not helping tobacco farmers;